



Consumer Electronics Association

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October 13, 2004

VIA ECFS

Ms. Marlene H. Dortch
Federal Communications Commission
Office of the Secretary
445 12th Street, SW
Washington, D.C. 20554

Re: *Ex Parte* Communications in CS Docket 97-80

Dear Ms. Dortch:

This is to notify you that on October 12, 2004, Paul Schomburg (Panasonic/Matsushita), John Godfrey (Pioneer North America), Jim Morgan (Sony Electronics Inc.), Brian Markwalter (Consumer Electronics Association – CEA) and the undersigned, met with Jonathan Cody, Legal Advisor to Chairman Powell.

We discussed “plug and play” issues and the consumer electronics industry’s view that the Commission’s requirement for all digital cable products -- including cable operator supplied set top box products -- to use separable security (*i.e.*, CableCARDs™) should be maintained, and that the July 1, 2006 deadline for cable operators’ compliance (47 C.F.R. Section 76.1204) should be maintained as currently written.

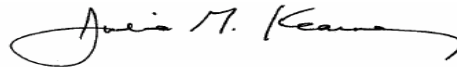
The CEA representatives indicated that the success of CableCARD-based products is critical to the nation’s transition to digital TV and the recovery of spectrum currently used for analog TV broadcasting. For U.S. consumers -- most of whom are cable customers -- to step up to the extra expense of a digital tuner, they need the confidence that consumer products attached to cable networks will work as well as cable-operator-supplied equipment, both now and in the future as cable security technologies evolve. Cable operator reliance on the same technology that retail products use will provide that confidence.

In response to the September 30, 2004 *ex parte* filing of the National Cable and Telecommunications Association on this subject, the CEA representatives stated that the only way to ensure actual competition in the marketplace -- and thus ensure that the benefits of competitive choice, features, and cost in home cable equipment actually reach consumers, as the Commission indicated is the goal of its 1998 Navigation Devices Order -- is the reliance, in cable-operator-supplied devices, on the same separable security mechanism made available to competitive equipment suppliers, as is provided for in the existing regulations.

Some of these benefits are described in the enclosed article from *Sound & Vision* magazine (October 2004), which was provided by the CEA representatives in the meeting. In addition, although the original date for cable operators to begin reliance on CableCARD in their new equipment was already delayed by 18 months (to July 1, 2006), the CEA representatives noted that the sooner CableCARD becomes ubiquitous in all new cable equipment, the sooner the cost of implementation of both the CableCARD itself and the interface (card slot) in the device will fall dramatically with volume production (which will be in millions of units virtually from the start).

This letter is being provided to your office in accordance with Section 1.1206 of the Federal Communications Commission rules. A copy of this letter has been delivered by e-mail to Mr. Cody.

Very truly yours,

A handwritten signature in black ink, appearing to read "Julie M. Kearney", with a long, sweeping horizontal line extending to the right.

Julie M. Kearney
Senior Director, Regulatory Affairs

Attachment

cc: Jonathan Cody